## **Internet Unemployment Tax and Health Care Reporting**

Vermont's Internet Tax and Wage System (VITWS) is NOW available to file your Quarterly Wage and Contribution Reports. Please see details at <a href="http://www.labor.vermont.gov/Default.aspx?tabid=430">http://www.labor.vermont.gov/Default.aspx?tabid=430</a> or by calling 802-828-4344.

## **Vermont Minimum Wage Change**

The Vermont state minimum wage will increase to \$7.68 per hour on January 1, 2008.

The basic wage rate for "service and tipped" employees is also increasing. The basic wage for tipped employees will increase to \$3.72 per hour. Service or tipped employees are individuals working in hotels, motels, tourist places, and restaurants who customarily and regularly receive more than **\$120.00** a month in tips for direct and personal services.

Tipped employees', like other workers, total earnings during a pay period must equal or exceed \$7.68 per hour. If a combination of tips and the basic wage do not meet that requirement, the employer must make up the difference.

## **New Hire Reporting**

As we gear up to begin using the National database for all reports of new hires, we want to remind employers of the importance of including the "first day of employment". This information is critical for detecting potential improper payment of unemployment insurance benefits. At this time we also want to remind you the most efficient way to report new hire information is electronically, by means of magnetic media or via our website at <a href="www.labor.vermont.gov">www.labor.vermont.gov</a>.

## **How to Correct Previously Filed Reports**

If you need to correct previous quarterly report, clearly identify the adjustment on a copy of the original report and submit it to Employer Services Reports Processing with an explanation of the error. You may send it in with the current report and if additional money is owed, you may write one check. If total wages are affected by the change, be sure to include the name(s), social security number(s) and wages of the employee(s) affected.

Adjustments must be made to the proper quarter; do not make an adjustment for one quarter on another quarter's report. Do not attempt to correct a worker's over-reported wages by including a negative amount on the subsequent wage report. These amounts are read by the computer as increases in wages. This may result in an overpayment of unemployment benefits or in an assessment of additional tax due.